## <u>REMARKS</u>

Claims 1-13 are pending in the above-identified application, wherein Claims 1, 7, 9 and 11 are independent claims. The Examiner has rejected Claims 1-6, and 9-10 under 35 USC§102(e) as being anticipated by *Masaki* (US Patent No. 6,616,328 B1); Claims 7-8 under 35 USC§102(b) as being anticipated by *Diep et al* (US Patent No. 5,719,827); and Claims 11-13 under 35 USC§102(b) as being anticipated by *Kawaguchi et al* (US Patent No. 5,016,231).

The present application relates to an apparatus and method for adjusting the time of an analog watch in a terminal having the analog watch, whereas *Masaki* relates to a high frequency accuracy timepiece for correcting time error of a few seconds. The control unit of amended Claim 1, as set forth above, is distinguishable from the rate fast/slow section 105 of *Masaki* in view of their constitution and function. Unlike the control unit of Claim 1, *Masaki* neither discloses nor suggests that the rate fast/slow section 105 specifically checks an input state of the time adjustment manipulation and controls an operational state of the driving circuit according to the checked input state.

Thus, for purpose of more clearly distinguishing independent Claim 1 over *Masaki*, independent Claims 1 has been amended to incorporate the elements of Claim 5. As a result, *Masaki* neither discloses nor suggests each and every element of amended independent Claim 1, in particular a control unit that checks the input state of the time adjustment manipulation and which controls the operational state of the driving circuit according to the checked input state. Consequently, amended independent Claim 1 is distinguishable over *Masaki* and is believed to be in condition for allowance. Therefore, without conceding the patentability of dependent Claims 2-4, these claims are believed to be patentable based on at least their respective dependency from amended independent Claim 1.

Claim 9 has also been amended to more clearly distinguish it from Masaki. Unlike amended independent Claim 9, Masaki neither discloses nor suggest the elements of determining whether a key input is one set for time adjustment, or determining whether a duration time of a key input is greater than a predetermined time, given that Masaki has only a stem-like structure (namely, a crown head) for adjusting time. As Masaki neither discloses nor suggests each and every element of amended independent Claim 9, it does not anticipate the claim. Thus, amended independent Claim 9. Similarly, without conceding the patentability of dependent Claim 10, this claim is believed to be patentable based on at least its respective dependency from amended independent Claim 9 which is believed to be in condition for allowance. Accordingly, reconsideration and withdrawal of the rejection of Claims 1-4 and 9-10 under 35 U.S.C. § 102(e) based on Masaki are respectfully requested.

As for Claims 7-8 being rejected under 35 U.S.C. § 102(b), the present invention relates to an apparatus and method for adjusting the time of an analog watch in a terminal having the analog watch, whereas *Diep* relates to an apparatus for improving performance of frequency generator. In order to more clearly distinguish Claim 7 from *Diep*, Claim 7 has been amended to incorporate the elements of Claim 5. As a result, *Diep* neither discloses nor suggests each and every element of amended independent Claim 7. Unlike amended independent Claim 7, *Diep* neither discloses nor suggests a control unit for checking an input state of the time adjustment manipulation and controlling the operational state of the first driving circuit according to the checked input state. As such, amended independent Claim 7 is distinguishable over *Diep* and is believed to be in condition for allowance.

Therefore, without conceding the patentability of dependent Claim 8, this claim is believed to be patentable based on at least its respective dependency from amended independent Claim 7. Accordingly, reconsideration and withdrawal of the rejection of Claims 7-8 under 35 U.S.C. § 102(b) based on *Diep* are respectfully requested.

Lastly, independent Claim 11 has been amended as set forth above to more clearly distinguish it over *Kawaguchi* by including the elements of using keys of a key pad of a user interface; and controlling operations of a division circuit and driving circuit to provide a required number of clocks to a step motor. As such, *Kawaguchi* neither discloses nor suggests each and every element of amended independent Claim 11, and thus it does not anticipate Claim 11. Consequently, amended independent Claim 11 is distinguishable over *Kawaguchi* and is believed to be in condition for allowance. Therefore, without conceding the patentability of dependent Claims 12-13, these claims are believed to be patentable based on at least their respective dependency from amended independent Claim 11. Accordingly, reconsideration and withdrawal of the rejection of Claims 11-13 under 35 U.S.C. § 102(b) based on *Kawaguchi* are respectfully requested.

Accordingly, the application as now presented, containing Claims 1-4 and 7-13, is believed to be in condition for allowance. Should the Examiner believe that a telephone conference or personal interview would facilitate resolution of any remaining matters, the Examiner may contact Applicant's attorney at the number given below.

Respectfully submitted,

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